

TOP SECRET

23 January 1981

MEMORANDUM FOR THE RECORD

Staff Meeting Minutes of 23 January 1981

Mr. Casey chaired the meeting. []

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Mr. Casey noted he was giving top priority to reviewing the budget over the weekend. [] said he would be sending Mr. Casey a paper today on the budget amendment and supplemental. []

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[]

In response to Mr. Casey's request about the Inspector General situation, Briggs explained the recent Presidential request for the resignation of 15 Inspector Generals appointed by President Carter. []

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Hitz told Mr. Casey that he would be the third person to be confirmed by the Senate on 27 January and that this would not prevent him from appearing before the Senate Armed Services Committee at 0930 to begin the Worldwide Intelligence Briefing. []

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Clarke noted that NFAC was redrafting Mr. Casey's opening statement before the Senate Armed Services Committee. []

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Clarke provided Mr. Casey, for his signature, letters to several Cabinet officers advertising the services NFAC provides. []

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McMahon noted [] the Soviets are continuing to defer to the Polish military to find a solution to the problems in Poland. []

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In response to Mr. Casey's question, Lipton said we would have to await OMB's guidelines on the President's announced policy to restrict travel, reduce the use of consultants, and reduce the procurement of office equipment to see what the impact would be on the Agency. Lipton noted it might be possible to get exemptions, particularly if exemptions were granted to DoD. He added that cuts in travel would impact heavily on the DDO and DDS&T; the reduction in the use of consultants would impact on NFAC; and the reduction of procurement of office equipment could hurt if word processing equipment was included. In response to Mr. Casey's request, Lipton will prepare recommendations coordinated with RM for Mr. Casey's use with D/OMB. []

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[] explained to Mr. Casey that the 1981 travel budget was based upon the 1980 budget which was a reduction from the previous year. [] recommended that Mr. Casey take a strong stand with OMB. []

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Hetu reported that Esquire Magazine was doing a piece on Identities legislation and has asked the Agency for help. Mr. Casey concurred in Hetu's recommendation that the author of the article be put in touch with Silver. []

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Briggs commented that the article in the February Reader's Digest about Shadrin probably will generate a good number of FOIA questions on the case. []

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Fitzwater reported that he would not know what the implementing instructions for the hiring freeze are until the new Director, OMB is sworn in. Fitzwater discussed a controversy within OMB over which dates should be used as a cutoff for hiring. Fitzwater noted there are [] people in the pipeline and that efforts are underway to expedite processing. In response to Mr. Casey's question, Fitzwater said the number of people being processed was normal. []

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Fitzwater announced that [] employees retired between 8 and 12 January and that we expect to lose [] more today. Currently the Agency is [] under ceiling. Fitzwater explained what kind of attrition we can expect during a hiring freeze. In response to Mr. Casey's request, Fitzwater said he would prepare an impact statement on the freeze for Mr. Casey to use with the D/OMB. []

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McMahon reported HU Yao bang had replaced Hua Gwa feng as the Secretary General of the Central Committee of the Chinese Communist Party. []

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[REDACTED]

Hitz commented that the Agency probably will be involved in the Senate investigation of the treatment of the hostages. Hitz recommended that all requests from the Hill for information be handled through the SSCI. [REDACTED]

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McMahon said the hostages would arrive at West Point on 25 January and the President would meet them on 27 January. [REDACTED]

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[REDACTED]

In response to Mr. Casey's question, Fitzwater said that as soon as possible after his swearing-in, Mr. Casey should address the employees in the auditorium. Lehman noted that Mr. Bush had been sworn in in the auditorium and then had addressed the employees. Taylor recommended that Mr. Casey wait a few months because he thought an early meeting would appear to be defensive and present a negative attitude to the employees. Mr. Casey said he would see if his calendar would allow him to speak on 30 January. [REDACTED]

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[REDACTED] requested that Mr. Casey meet with the program manager of the major NFIP programs. [REDACTED]

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It was suggested that Mr. Casey meet with the NFIB. A discussion ensued on NFIB and Clarke said he would get together with [REDACTED] Bross and Lehman to further discuss NFIB. Mr. Casey asked for some minutes of previous NFIB meetings. [REDACTED]

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Mr. Casey said he absorbs anything written quickly and invited attendees to send him papers on anything they felt it was important for him to see this weekend. [REDACTED]

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